

STAND. COM. REP. NO.

1955

Honolulu, Hawaii

APR 04 , 2023

RE: S.B. No. 1534  
S.D. 2  
H.D. 3

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 1534, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO TRANSPORTATION,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Create a mileage-based road usage charge to replace state motor fuel taxes beginning on July 1, 2025, for electric vehicles;
- (2) Eliminate the \$50 annual state vehicle registration surcharge for electric vehicles;
- (3) Allow electric vehicle owners the option to pay a registration surcharge or a per-mile road usage fee until June 30, 2028;
- (4) Require certificates of inspection to note the odometer reading of vehicles;
- (5) Require motor vehicle registration applications to specify whether the type of fuel for which the vehicle is adapted is electricity;

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- (6) Require the Department of Transportation to plan for the deployment of a state mileage-based road user charge program by 2033 and submit a report to the Legislature before the Regular Session of 2026; and
- (7) Appropriate funds for the initial implementation of the state mileage-based road user charge.

Your Committee received testimony in support of this measure from six individuals. Your Committee received comments on this measure from the Department of Transportation, Hawai'i State Energy Office, Tax Foundation of Hawaii, Big Island Electric Vehicle Association, Kauai Climate Action Coalition, Ulupono Initiative, Hawai'i Automobile Dealers' Association, and two individuals.

Your Committee has amended this measure by:

- (1) Changing the cents per mile traveled calculation for the state mileage-based road usage charge to an unspecified amount;
- (2) Changing the cap of the state mileage-based road usage charge to an unspecified amount;
- (3) Changing the registration surcharge that may be paid in lieu of the state mileage-based road usage charge for electric vehicle owners to an unspecified amount; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1534, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1534, S.D. 2, H.D. 3.



Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



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KYLE T. YAMASHITA, Chair



